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ABSTRACT

Federal Communications Commission's activities during Fiscal Year 1972 are summarized. The actions of the agency in specific areas; i.e., broadcast, cable television, field engineering, etc., are succinctly stated. Highlights of FY 1972 are presented chronologically at the end of the summary. (MC)

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Fall '72

INFORMATION BULLETIN

Annual Report Summary

GENERAL

The FCC is an independent Government agency responsible directly to Congress. It was established in 1934 with passage of the Communications Act and is charged with regulating interstate and foreign communications by radio, television, wire and cable. It is also responsible for orderly development and operation of broadcast services, and for rapid, efficient, nationwide and worldwide telephone and telegraph service at reasonable rates. Other functions include the promotion of safety of life and property through radio, and the use of radio and television facilities to strengthen national defense. The Commission's jurisdiction covers the 50 States, Guam, Puerto Rico and the Virgin Islands.

The FCC is directed by seven Commissioners, appointed by the President and confirmed by the Senate for seven-year terms. The President also designates one of the Commissioners to serve as Chairman.

The Chairman administers the Commission's internal affairs aided by the Executive Director. The Commissioners supervise all FCC activities, delegating responsibilities to staff units and bureaus and to committees of Commissioners.

The Commission consults with other Government agencies and departments on national and international matters involving wire and radio communications, and with state regulatory commissions on telegraph and telephone matters.

All broadcast services (commercial and educational AM, FM and TV) are regulated by the Commission. The FCC must approve all applications for construction permits and

licenses for such services. It also assigns frequencies, sets operating power, designates call signs, inspects and regulates the use of transmitting equipment. Although the Commission is forbidden to censor programs, licensees are required to show they operate in the public interest, convenience and necessity. The Commission reviews a station's overall performance to assure that promises made when the station license was issued have been carried out. This review is usually conducted at license renewal time, normally every three years. Changes in ownership and major technical changes also require Commission approval.

Cable TV is also regulated by the Commission. Systems are required to notify the Commission when they plan to begin operation. They must carry and may not duplicate all local signals. Television networks may not own cable TV systems; local television stations may not own cable TV systems within their markets; and telephone companies or their subsidiaries may not own systems within their local service areas.

The Commission regulates common carrier operations which include telephone, telegraph, cable, microwave and satellite communications. It licenses and assigns operating frequencies for radiotelephone and radiotelegraph circuits, and oversees charges, practices and classifications of service for common carriers. The Commission acts on requests for mergers, considers applications for construction of facilities and changes in service and prescribes and reviews accounting practices.

The Commission licenses and regulates all forms of two-way radio including ship and aviation communications, a wide range of public safety and business services, and amateur and citizens radio services.

The FCC is responsible for domestic administration of the telecommunications provisions of treaties and international agreements. Under the auspices of the State Department, the Commission takes part in international communications conferences.

The FCC supervises the Emergency Broadcast System (EBS) designed to alert and instruct the public in matters of national or civil defense.

THE FCC IN FISCAL 1972

In fiscal 1972 the Commission completed action in two major areas of exceptional significance--cable television and satellite communications.

In cable TV, the Commission adopted definitive rules designed to provide a basis for orderly expansion of the cable TV industry. Key elements of the rules were the standards established for signal importation and access to nonbroadcast channels.

In satellite communications, the Commission adopted a policy that would permit all financially and technically qualified applicants to provide satellite service within the United States--opening an entire new area of domestic communication service.

In broadcasting, the Commission continued with its examination of the problem of media access under the Fairness Doctrine and its study of proposals for more effective processing of renewal applications.

In the field of Land Mobile Radio, the Spectrum Management Task Force opened its first regional office in Chicago to begin its study of spectrum utilization by two-way radio users.

These and other highlights of the Commission's actions in fiscal 1972 are summarized under specific headings on the following pages.

BROADCASTING

General

There were 8,155 broadcasting stations on the air and operating as of June 30, 1972. There were 4,367 AM, 2,352 FM, and 521 educational FM radio stations. The number of commercial VHF television stations was 511, commercial UHF 190, educational UHF 125, and educational VHF 89. The totals for commercial stations include 28 educational stations operating on AM frequencies, 17 on nonreserved FM channels, six on nonreserved UHF-TV, and two on nonreserved VHF-TV channels.

The television broadcasting industry reported revenues of $2.75 billion in 1971, a decline of 2.1 percent from 1970. A slight increase in expenses resulted in a 14.2 percent drop in pretax profits to $389 million.

Radio broadcasting revenues for networks, AM, and FM stations in calendar year 1971 were approximately $1.2 billion. The seven nationwide radio networks as a group reported revenues of $38.7 million.

The network owned-and-operated stations reported profits of $5.1 million, compared to $4.7 million in 1970, and revenues in 1971 of $61.4 million.

Fairness Doctrine

Oral argument was held in the Fairness Inquiry March 27-31, 1972 (Docket 19260).

In its first ruling in the Fairness Inquiry, the Commission concluded that the equal opportunities provisions of Section 315 of the Communications Act should not be widened to include Presidential addresses.

A series of requests by the Democratic and Republican National Committees for reply time were denied by the Commission.

The Commission asked the Supreme Court to review an Appeals Court ruling reversing an FCC ruling that stations are not required to sell time for editorial advertising.

Alaska oil drilling spots created Fariness Doctrine obligations for NBC, the Commission ruled, but on reconsideration, it held that NBC had presented contrasting views on programs and newscasts.

In two other cases involving consumer and ecology rulings, the Commission ruled that detergent ads on New York City TV stations did not incur Fairness Doctrine obligations, and that ABC, NBC and two Washington, D. C. TV stations had complied with the Fairness Doctrine in presentation of material on protective "air bags" in automobiles.

Political Broadcasting

Guidelines were issued implementing the Federal Election Campaign Act (FECA), for broadcast stations and cable TV systems. The FECA was enacted February 7, 1972, and specifies limits on spending by candidates for Federal office.

In a series of rulings on the Federal Election Campaign Act, the Commission specified that free advertisements need not be computed in determining the lowest rate to be charged to candidates, and that commissions to sales representatives should be computed on the same basis as compensation to station employees.

Multiple Ownership

The rules were revised to permit banks to increase their holdings of broadcast stock in trust accounts to five percent.

Television Broadcast Service

Rules prohibiting TV networks from syndicating programs and acquiring financial interests in programs were reinstated.

A children's TV Task Force was organized to carry out assignments in conjunction with the Children's TV Inquiry.

The "One Affiliation Per Station" TV network rule was affirmed by the Commission. The purpose of the rule is to aid UHF stations in markets with VHF stations to obtain network affiliation or substantial amounts of network programing.

Requests by ABC for continuation of Tuesday Night Prime Time Rule waiver for 1972-73 TV season, and for waiver of the rule to permit more than three hours of Olympic Game programing in Prime Time were denied.

Mutual of Omaha was granted waiver of the Prime Time Access Rule to permit a limited number of repeat showings of the "Wild Kingdom" program in the 1972-73 season. Time-Life Films was granted a waiver of the Prime Time Rule for "Six Wives of Henry VIII."

A request by the Campbell Soup Company for waiver for the "Lassie" program was denied.

NBC affiliates in Mountain and Pacific Time zones were granted waivers of the Prime Time Access Rule for telecasts of Academy Awards and Miss America programs.

The Commission granted waiver of the Prime Time Access Rule for a number of live sports programs but warned the networks not to let sports shows impinge on prime time in the program year beginning in October 1972.

The time period in which a sports event must not be broadcast in order for it to be available for presentation on Pay TV, was extended from two to five years.

The hours from 6 to 10 p.m., local time, were designated as Prime Time for Mountain zone TV stations.

ABC was denied renewal of its authorization to deliver network television programs to a Tijuana, Mexico station. The authority was originally granted before there was a third commercial television station in San Diego.

Use of 1 kw translators was authorized on certain assigned but unused UHF channels. UHF translators were also permitted to operate on unassigned channels from 55 through 69.

Radio Broadcast Service

The Commission instituted a study of broadcast rules and regulations, particularly those applying to radio, to determine current regulation requirements.

Operator requirements were eased to permit a wider range of duties to be assigned persons holding third class operator licenses, including routine operation of certain AM stations with directional antenna systems.

The rules were amended to increase the minimum operating hours of FM broadcast stations, making FM requirements generally consistent with AM regulations.

The Mutual Broadcasting System was authorized to begin a three-network operation.

First applications were granted for a new FM translator service.

WQXR and WQXR-FM, New York, N. Y., and WGMS AM-FM, Bethesda-Washington, D. C., were granted waivers of the AM-FM nonduplication rule. The stations carry classical music programs.

Educational Broadcasting

There were 220 educational TV stations and 546 educational radio stations operating on the air at the end of fiscal 1972.

A 71 point educational broadcasting network was completed by the Bell System in March 1972, with a full 110 point network planned for service by January 1973.

In the Instructional Television Fixed Service, which provides frequencies for transmission of programs for in-school use, there were 139 systems with 417 channels operating at the end of fiscal 1972.

The Commission adopted rules to apply equipment performance measurement requirements to all except 10-watt stations in the educational FM band.

UHF ETV stations were given until 1974 to meet remote control rules.

International Broadcast Service

The Commission proposed revision of the international broadcasting to ease frequency congestion.

Renewals

Some 71 petitions to deny broadcast license renewals were filed during fiscal 1972.

The authorization of WHDH, Inc., for Channel 5, Boston, Mass., was terminated and Boston Broadcasters, Inc., granted test authority effective March 19, 1972.

Reimbursement of public interest groups in assignment, transfer, or renewal actions, was proposed by the Commission. The United Church of Christ, was reimbursed by KCMC, Inc., for expenses incurred in renewal of license of KTAL-TV, Texarkana, Tex.

Grant of the Alabama Educational Television Commission license renewals was suspended and the applications set for hearing on discrimination issues.

Assignments and Transfers

The Commission authorized assignment of five TV stations from Time-Life Broadcast, Inc., to McGraw-Hill Broadcast, Inc. Four stations were assigned following agreement with community groups. Final consideration was $50,990,789.

Other major actions included transfer of control of Mullins Broadcasting Company to Combined Communications Corp. for $21.5 million, and transfer of control of WTCN Television, Inc. from Chris-Craft Industries, Inc. to Metromedia, Inc. for $18 million; assignment of WIXY-AM and WDOK-FM, Cleveland, Ohio to Globetrotter Communications, Inc. for $14.5 million; assignment of KABL, Oakland, and KABL-FM, San Francisco, Calif. to Starr KABL, Inc. for $10.7 million, and assignment of KLIF(AM), Dallas, Tex. to Fairchild KLIF, Inc. for $10.5 million.

Broadcast Administration

Licensees were warned against monitoring and unauthorized broadcast of Federal Aviation Administration transmissions, particularly during hijacking incidents.

Licensees were notified that they must tell persons of the intent to use their voices for broadcast when they are being telephoned for program purposes, regardless of whether the call is being recorded for later broadcast or used live.

Licensees were informed that public records must be readily available for inspection at all times, but that they may require members of the public to identify themselves.

The equal opportunity form for broadcast licensees was amended to include a section for women.

The Commission ruled that broadcasts giving information on the winning number in the New Jersey State lottery were prohibited by Federal law.

The New York City Off Track Betting Corporation was informed that it would be legal to present certain types of horse racing programs on radio, television and cable TV.

Broadcast Advertising

Uniform sponsorship identification rules were proposed for all broadcast services.

Gulf Oil was granted a waiver of sponsorship identification requirements for a series of public service announcements broadcast during programs covering a moon landing.

Licensees were informed that barter deals for sports are not included in the requirement for filing time brokerage contracts.

Technical Developments

Rules were adopted for test signals for use in operation of remotely controlled TV stations.

Temporary standards were set for transmission of program identification patterns, for computerized monitoring of TV commercials, pending action on rule changes.

New rules were adopted for AM modulation limits and antenna power levels.

An Illinois community group was informed by the Commission that it had no jurisdiction over construction of the Sears Tower. The group complained that the tower, due to be the world's tallest building, would create television interference.

Enforcement

Renewal hearings were instituted on 20 applications and 133 construction permits. Six stations were denied license renewals, and four were issued probationary, short-term renewals.

The Commission took action in 141 forfeiture cases, issuing 97 notices of apparent liability, and 44 final forfeiture orders. Some 64 stations were the subject of field investigations.

A total of 44,681 complaints, comments and inquiries was received during fiscal year 1972.

CABLE TV

Cable TV is a communications system in which TV signals are received at a central point and then amplified and redistributed by cable to subscribers' TV sets for a fee. Originally developed to bring TV signals to areas distant from TV stations, it has since spread to large cities and other localities where, because of tall buildings or for various technical reasons, signal reception is poor.

At the close of fiscal 1972, there were about 4,500 cable TV systems serving communities in the U.S. This represented an increase of more than 500 systems over the previous year.

New cable TV rules were adopted by the Commission in February 1972. The rules, which became effective March 31, 1972, provided for limited importation of distant signals, establishment of various types of non-broadcast access channels on cable systems, and set technical standards.

In conjunction with the new rules, advisory committees were established to consider the technical standards and Federal-State/local relationships involved in franchising and related matters, and to make recommendations to the Commission.

The Supreme Court affirmed the Commission's rule requiring cable TV systems with more than 3,500 subscribers to originate programs. The rule, suspended during litigation, will become effective again only after a further Commission order.

Nondiscrimination rules were adopted for cable TV systems and CARS stations.

Cable TV Annual Report Forms were adopted.

Standards for identification of cable origination channels were proposed.

The Commission ruled that cable TV programs for which an extra charge is made do not need further authorization. (In July 1972, the Commission issued a rulemaking notice asking for comments on the suitability of existing rules.)

A contract for $84,500 was awarded for an organization and procedures study of the Cable Television Bureau.

COMMON CARRIER SERVICES

General

Common Carrier Services involve the provision of wire or electronic communications services for hire. They include such facilities as telephone, telegraph, facsimile, telephoto and broadcast program transmission by wire, cable, radio and satellite for public use.

The Commission regulates interstate and foreign communications of common carriers. It does not regulate purely intrastate wire services; they come under the authority of State utility commissions.

Telephone

At the end of calendar 1971, there were 80 telephone carriers fully subject to FCC jurisdiction, including 59 with annual revenues of $1.0 million or more. These 59 companies had operating revenues of $20.3 billion in 1971 and gross plant investment of $66 billion at the end of 1971. These companies reported a total of 109.1 million telephones in service.

A rate of return of 8.25 percent for Bell System was proposed in Initial Decision in Phase I of the AT&T Interstate Rate Case. Oral argument was held October 26, and 27, 1971.

Phase II of the rate case was dismissed by the Commission in December, 1971, due to a lack of funds and personnel. It was reinstituted in January, 1972. A $400,000 contract was awarded for a study of the Western Electric Co. as part of the Phase II investigation.

A Federal-State Joint Board was created to submit Interconnection recommendations to the Commission.

An Advisory Committee was established to recommend standards for interconnection of telephone dialer and answering devices.

The Hughes Sports Network damage claim against AT&T was remanded to the Examiner for a ruling on a financial award.

AT&T and Western Union were ordered to file tariffs eliminating unlawful discrimination in TELPAK sharing.

AT&T WATS and private line tariff revisions were suspended for 90 days and an investigation into the lawfulness of tariffs was ordered.

The N.Y. Telephone Company was prohibited from providing additional channel facilities for unfranchised cable TV systems in New York City.

Reconsideration of the Computer Communications rules was denied by the Commission.

An improvement in the quality of AT&T telephone service for the period January through October 1971, compared with the same period in 1970, was indicated by a continuing FCC study.

A conference to review progress in establishing the telephone number 911 as a universal emergency number was held at the Commission in June, 1972.

Rules were adopted implementing the Federal Election Campaign Act for common carriers, by setting standards governing unsecured credit for candidates for Federal office.

Telegraph

Western Union had total operating revenues of $396.8 million in calendar 1971. The company's gross investment in plant facilities totalled $1.2 billion as of December 31, 1971.

Western Union private line rate increases were suspended by the Commission and consolidated in hearing with the proposed AT&T rate increase.

A Department of Defense complaint against Western Union for excessive private line charges was set for hearing.

Western Union was authorized to file TELEX rate increases and ordered to provide equal access to international carriers for TELEX and TWX subscribers.

A Western Union request for MAILGRAM service between the U.S. mainland and Hawaii was denied by the Common Carrier Bureau.

Domestic Radio Services

The first specialized common carrier applications were granted for the route between New York City and Washington, D.C. Applications were also granted for service between California and Texas and New York City and Chicago.

Revisions were adopted in frequency diversity rules, antenna standards and pointing requirements for Common Carrier microwave systems. The purpose of the new rules is to permit more efficient operation and avoid frequency conflicts.

More than 12,000 applications were filed for new, modified or renewed domestic common carrier radio facilities during fiscal 1972.

New rules were proposed for licensing and regulation of Common Carrier radio stations in a new Multipoint Distribution Service.

International Communications

Industry revenues from overseas telecommunications (excepting Comsat) totalled $546 million in calendar 1971, an increase of 11 percent over 1970. Telephone carriers reported $301 million in revenues from overseas service and the record carriers $245 million.

A TAT-6 transatlantic phone cable providing 4000 circuits was authorized between U.S. and France for service beginning in 1976.

A requirement setting a use ratio of five satellite circuits for each cable circuit was modified to permit carriers to use one cable circuit for each satellite circuit.

Representatives of 14 European nations and Canada joined with Commission members September 30 and October 1, 1971, for an exchange of views on the installation and use of transatlantic communications facilities during the 1970's.

Satellite Communications

As of June 30, 1972 there were 6 communications satellites serving 41 countries through 55 earth stations with 68 antennas.

In calendar year 1971, Comsat reported operating revenues of $88.4 million, an increase of 21 percent over 1970.

The Commission issued its decision in the Domestic Satellite proceeding setting a policy permitting all qualified applicants to provide communications satellite service.

Comsat was authorized to conduct a communication satellite test and demonstration program in Alaska.

Comsat was also authorized to launch and test a second INTELSAT IV satellite over the Atlantic Ocean and to participate in construction of three additional INTELSAT IV satellites.

SAFETY AND SPECIAL RADIO SERVICES

General

Safety and Special Radio Services include about 50 different kinds of two-way radio communications used by industry, State and local governments, business and private groups of various kinds, and individuals. These services make up the largest group regulated by the Commission.

There were 1,789,990 stations licensed in the Safety and Special Radio Services at the end of fiscal 1972. They employed 9,843,720 transmitters of various types. Some 490,551 applications were received in these services during the fiscal year.

Land Mobile

New Rules

Expanded use of teleprinter and facsimile transmission in private land mobile services was approved by the Commission. Frequencies were allocated for police use of digital systems in the 30 largest cities.

Rules were adopted to expand and standardize mobile relay operations in Public Safety and Industrial Radio Services.

Frequencies were allocated in the 460 MHz band to permit bio-medical ambulance telemetry on a regular basis for such emergency activities as the transmission of electrocardigraphs of patients while enroute to hospitals.

Mutual sharing of private microwave systems was authorized for the Safety and Special Radio Servies.

Technical requirements were eased for authorization and operation of control stations for mobile relay systems in the 450-470 MHz band.

Railroad and Special Industrial Radio Services licensees were authorized to operate one watt portable, remote control devices in the 72-76 MHz band.

Rules were adopted permitting remote control of locomotives by use of tone modulation on voice frequencies.

Vehicular radio units were authorized for use as mobile repeaters for the commercial protection industry and rules were adopted for regulation of radio frequency operated intruder alarms.

Secondary use of regular voice channels in the land mobile services for the transmission of non-voice communications was authorized.

Public safety double sideband operations below 25 MHz were required to be converted to single sideband by 1977.

Easing of Special Emergency Service frequency assignment rules for 45 and 155 MHz to require less coordination with Public Safety Radio Service was proposed by the Commission. — Proposed Rules

Use of antennas more than 500 feet high was proposed for land mobile stations in the ten largest U.S. urban areas on shared VHF TV channels in the 450-512 MHz band.

The Commission initiated further inquiry into use of car locator techniques in Land Mobile Services.

Use of Business Radio "offset" frequencies was proposed for medical telemetry in hospitals and other low power operations.

The U.S. and Mexico agreed on proposals to protect Mexican TV operations from interference by land mobile operations on UHF channels 14 and 20 in Los Angeles. — International Agreement

Rules were adopted clarifying conditions for assignment and use of working frequencies by coast stations in Maritime Mobile Services. — Aviation and Marine Radio Services

Alaska Maritime Services were ordered to convert to single sideband operation and technical standards were set for Coast and Ship Public Fixed Stations.

Rules were adopted implementing the Bridge-to-Bridge Radiotelephone Act.

Use of the search and rescue frequency 123.1 MHz was authorized for air traffic control.

Amateur and Citizens Radio Services

The Communications Act was amended to permit certain aliens to obtain Amateur Radio licenses.

Higher speeds were authorized for Amateur radio-teleprinter operations.

Rules were adopted to permit use of 72-76 MHz band for remote control of all types of models.

Administration

Filing deadlines were proposed for Safety and Special Radio Service applications subject to public notice requirements.

FIELD ENGINEERING
General

The Field Engineering Bureau operates 24 district offices and four suboffices, two marine offices, 18 monitoring stations, three mobile TV-FM enforcements units and six microwave units in its administration and enforcement of regulations and treaties relating to radio communications. The Bureau issued a total of 32,095 official notices of all types in fiscal year 1972.

Inspections

Engineers at field offices conducted 18,008 inspections of radio stations in all licensed radio services and located 1,139 unlicensed radio transmitting facilities. In the Broadcast Service, inspections and measurements of 2,177 stations resulted in the issuance of 1,533 official violation notices and 714 advisory notices. Inspections and measurements of 5,803 facilities in the Maritime Mobile Service produced 1,654 official notices of all types.

Monitoring

The Bureau's monitoring stations and related facilities, issued a total of 32,095 violation notices to licensees in all services, detected 3,378 unlicensed stations, and developed 1,119 sanction cases in connection with repeated or willful violations. The network also worked on 2,201 cases of radio interference reported by licensees, commercial companies, and U.S. and foreign governments. Additionally, the monitoring network received 651 requests for assistance from ships and aircraft. In 18 instances of actual emergency, direction finder "fixes" enabled search-and-rescue organizations to locate distressed ships and aircraft.

Tall Towers

During the year, 18 new transmitting structures 1,000 feet or more in height were constructed while one in previous use was dismantled for a net gain of 17. There are now 272 such structures.

FREQUENCY ALLOCATION AND USE

Frequency allocation functions are concerned with organization and management of the electromagnetic spectrum to derive the maximum possible use from a basically limited natural resource.

Rule changes were proposed to conform Part 2 of the rules to the new international radio regulations adopted by the World Administrative Radio Conference on Space Telecommunications, which was concluded during the year.

Rules were proposed to make 26 channels in the 35 and 43 MHz region available for private land mobile services.

Additional studies regarding the use of new land mobile bands at 900 MHz were continued with adoption of an Order for Further Procedure for further comments in the land mobile proceeding (Docket 18262).

Part 2 of the rules was amended to provide frequencies at 5 and 15 MHz for a common microwave aircraft landing system (Docket 19280).

A Further Notice of Proposed Rule Making was adopted for additional aural broadcasting studio transmitter link frequencies in the 2110-2213 MHz band.

To facilitate efficient sharing between Government and non-Government users of radio, the Commission coordinated with the Office of Telecommunications Policy (OTP) more than 3,400 specific frequency or band assignments and took action on over 300 reports of harmful interference between Government and non-Government radio stations.

In maintaining the master list of all existing non-Government frequency assignments, the FCC processed 113,000 frequency assignment actions.

Frequency coordination procedures to minimize interference across the United States-Canadian border entailed exchange of 5,700 letters and telegrams with Canada. Interference as a result, was limited to five cases.

To obtain international recognition of U.S. frequency assignments, the FCC submitted 5,020 assignment notifications to the International Frequency Registration Board of the ITU. Over 28,200 monitoring observations were forwarded to the ITU in support of its international program for compiling current worldwide frequency usage data.

Of the more than 354 international cases of harmful interference dealt with by the Commission, 295 appear to have been resolved. As part of an international program to anticipate and avoid many cases of interference, the FCC forwarded to the countries involved over 7,500 reports of improper technical and operating practices by their radio stations.

The Commission prepared for 37 international conferences and furnished one delegation chairman, one head of meeting, one vice chairman, and 70 other representatives for delegations.

Preparatory work for a 1974 World Administrative Radio Conference on maritime mobile telecommunications (WARC-MAR) was initiated. A Notice of Inquiry was issued requesting public comments.

Preparatory work began for the 1973 Plenipotentiary Conference of the International Telecommunication Union (ITU). This conference will deal with matters relating to the policies and organization of the ITU, including the election of major officials.

TECHNICAL, RESEARCH, AND LABORATORY

In its Technical, Research and Laboratory activities, the Commission carries out programs designed to fulfill its mandate to study and encourage new and more efficient uses of radio, regulate the kinds of apparatus used, and prevent harmful interference.

The Spectrum Management Task Force, which was created to carry out the Commission's program of decentralized spectrum management, has opened its first Regional Office in Chicago and is now in the process of gathering licensee and monitoring information to construct a regional data base.

Mathematical models to assist in the assignment of frequencies to Land Mobile users in the Chicago Region were developed.

A contract was awarded for a second mobile monitoring van to be used in gathering data for the second regional center of the Spectrum Management Task Force.

Comprehensive rules were proposed for procedures to be followed in requesting RF equipment authorization.

Regulations governing marketing identification of radio frequency devices were proposed by the Commission.

Use of non-memory 70-position UHF detent tuning systems was authorized to meet comparable TV tuning requirements.

Rules were proposed limiting permissible radiation from Class I TV devices, including video playback equipment, video cassette units, electronic video recorders (EVR), and video games, all intended for use by the general public.

New rules for radio door controls were made effective November 1, 1971. They set new emission limits and certification procedures.

Rules for field disturbance sensors, which include RF intrusion detection devices, became effective November, 5, 1971. These rules permit operation on microwave frequencies under specified technical standards and certification by the Commission.

Technical criteria were developed to implement decisions of the World Administrative Radio Conference for Space Telecommunications (Geneva, 1971).

Examination of the feasibility of conventional land mobile operations at 950 MHz was continued.

Research reports were issued in connection with studies of the impact of UHF TV taboos in the New York City area, a computer method for antenna beam common volume determination, and electromagnetic radiation hazard and safety guidelines.

A report was issued on feasibility of conventional land mobile operations at 950 MHz when communicating from a mobile unit to a base station.

New type approvals were granted to manufacturers of 97 equipment models ranging from ship transmitters to microwave ovens.

EMERGENCY COMMUNICATIONS

The Commission is responsible for the development of emergency communications systems in Broadcast, Safety and Special Radio and Common Carrier services. It is assisted by the National Industry Advisory Committee (NIAC). Members of NIAC, in special working groups, study emergency problems of regulated communications services and submit, to the FCC, recommendations covering various contingencies.

Revised rules were adopted for the Emergency Broadcast System to preclude transmission errors.

Random closed circuit tests of Emergency Broadcast System (EBS) were suspended.

The term of the National Industry Advisory Committee was extended for 2 years.

A revised plan for control of non-Federal air navigation stations during national emergencies was adopted.

A revised National Emergency Priority System for Intercity Private Line Services was proposed by the Commission.

An Industrial Communications Emergency Plan was proposed by the Commission.

LEGISLATION, LITIGATION AND ENFORCEMENT

Legislation

The Commission testified or commented on 21 legislative matters pending before Congress this fiscal year.

It had pending before the Office of Management and Budget legislation to make it a Federal crime to assault, kill or intimidate an FCC employee carrying out investigative or enforcement functions, and to broaden provisions for forfeitures to include groups not now covered and to provide for more effective enforcement.

Congress amended the Communications Act to make certain aliens admitted to the U.S. for permanent residence eligible for amateur radio operator licenses. Other amendments limited expenditures for communications media by candidates for federal office, and

established a Federal-State Joint Board to recommend uniform procedures for determining separation of property and expenses by communications common carriers between interstate and intrastate services.

Litigation and Enforcement

The Commission participated in 151 court proceedings during the fiscal year. Of these, 28 cases were affirmed and four reversed. Fifty-eight cases were dismissed. At the close of the fiscal year, 60 cases were still pending compared with 77 the previous year.

Significant court developments included a reaffirmation of FCC authority to regulate cable TV, further clarification of the Fairness Doctrine and establishment of an important precedent with regard to the wide discretion accorded the Commission in determining whether hearings should be held on petitions to deny license renewal applications.

Criminal convictions were obtained against violators of the Communications Act and FCC regulations in four cities in fiscal 1972. Offenses included unlicensed transmission and violation of Citizens Radio Service rules. Five cases involving Citizens Band violations were referred to the Justice Department for injunctive action. Four civil injunction cases were either pending in court or awaiting Justice Department action at the end of the fiscal year.

ADMINISTRATIVE LAW JUDGES

Effective September, 1972, the designation Hearing Examiner was changed to Administrative Law Judge, implementing action by the Civil Service Commission.

The Office of Administrative Law Judges issued 1,922 orders on interlocutory matters (subject to further review) in fiscal year 1972. Formal hearings were conducted in 230 proceedings and hearing conferences were held in 244. Hearings were completed in 198 proceedings and 108 Initial Decisions were issued disposing of 160 applications.

New procedures to permit summary decisions in hearing cases were adopted. Administrative Law Judges were given limited jurisdiction to certify and correct transcripts. New procedures were established for setting hearing dates.

Use of speakerphones in conferences was authorized at the discretion of the Administrative Law Judge.

DOCKETS

Hearing Cases

There were 272 cases designated for hearing during fiscal 1972. Safety and Special Radio Services proceedings on applications and revocation of licenses accounted for 53 cases. There were 138 hearings for Broadcast facilities: 64 AM, 42 FM, 32 TV.

Hearings were held on 7 Common Carrier applications, 5 Cable TV applications and 69 miscellaneous cases.

At the close of the fiscal year there were 665 cases pending--355 in Broadcast matters.

Non-Docket Rulemaking Petitions

Some 186 petitions for rule making were filed--136 of which were concerned with Broadcast matters (1 AM, 94 FM, 26 TV, 15 other broadcast); 4 Cable TV, 4 Common Carrier and 38 Safety and Special Radio Services, and 4 miscellaneous.

COMMISSION

Commissioner Robert T. Bartley retired June 30, 1972, after 20 years as a Commissioner. He was succeeded by Commissioner Benjamin L. Hooks, who was sworn in July 5, 1972.

Commissioner Robert Wells resigned November 1, 1972.

On October 5, 1972, Commissioner Thomas J. Houser retired from the Commission. He was replaced by Commissioner Charlotte T. Reid, who was sworn in at the White House on October 8, 1971. She was assigned duties as FCC Defense Commissioner.

President Nixon named FCC General Counsel Richard E. Wiley to a recess appointment on the Commission January 4, 1972. Commissioner Wiley was renominated, and was sworn in to a regular term on June 5, 1972. He was named Spectrum Management and Fairness Commissioner, and was assigned to supervise the Broadcast Regulation Study.

Chairman Burch was named to head Cable TV Technical Standards and Federal/State-Local Advisory Committees.

Commissioner Robert E. Lee was appointed Chairman of the Interconnection Advisory Committees. He was also named to head FCC planning for the International Telecommunication Union conference. Commissioner Bartley was in charge of planning for the Maritime Mobile WARC.

John W. Pettit was appointed FCC General Counsel January 7, 1972.

Wallace E. Johnson was appointed Broadcast Bureau Chief on August 6, 1971.

The FCC and the Federal Trade Commission announced a liaison agreement under which the agencies would exchange information on false and misleading advertising.

An Executive Advisory Council was established to aid in planning and programing matters.

The Executive Director was designated by the Chairman to handle all inquiries on price controls as they affect communications matters.

An Office of Management and Budget Task Force carried out a management survey of the Commission.

A total of $23,981,361 in fees was collected in fiscal year 1972. This is $8 million more than the amount collected in fiscal 1971, the first year the Commission began operating under the new fee schedule, which went into effect August 1, 1970.

The Commission appropriation for fiscal 1972 was $31,969,000. The staff averaged 1,594 employees.

This summary is based on releases by the Federal Communications Commission during the fiscal year July 1, 1971 through June 30, 1972. Dates indicate when actions were announced.

HIGHLIGHTS OF FISCAL YEAR 1972

NBC advised that ESSO commercials on Alaskan oil drilling operations are subject to the Fairness Doctrine.

July 1

July 2	Rep. Charlotte T. Reid (R., Ill.) nominated by President Nixon to serve on Commission.
July 22	Testimony on Cable TV regulation presented to House Subcommittee on Communications and Power by Chairman Burch.
July 27	Commission ruling declaring TELPAK sharing unlawful upheld by U.S. Court of Appeals for Second Circuit; case remanded to Commission for further hearing to determine remedy for unlawful practices.
July 29	Appointment of Rep. Reid to Commission confirmed by Senate.
	Summary of action of World Administrative Radio Conference issued.
August 4	Fairness Doctrine ruling denying requests for purchase of time for editorial advertising reversed by U.S. Court of Appeals for District of Columbia Circuit.
August 5	Cable TV regulatory proposals submitted to Congress by FCC.
August 6	Wallace E. Johnson appointed Chief, Broadcast Bureau.
August 11	Commission ruling denying requests for air time to present views opposing military recruiting announcements affirmed by U.S. Court of Appeals for Ninth Circuit.
August 26	$16 million fee collection indicated in FCC calculation of first fiscal year under new schedule.
August 27	Rate of return of 8.25 percent proposed for AT&T interstate earnings in rate case Initial Decision.
September 8	Issuance of all classes of radiotelephone licenses to blind persons authorized by Commission.
September 17	Organization of Children's TV Program Task Force announced by FCC.
September 22	Testimony on broadcast advertising of over-the-counter drugs presented by Commissioner Thomas J. Houser before Senate Monopoly Subcommittee.

Commissioner Robert T. Bartley named to head FCC planning for Maritime Mobile WARC; Commissioner Robert E. Lee to lead FCC planning for ITU Conference.	September 27
Testimony on children's television programing presented by Chairman Burch before Senate Subcommittee on Communications.	September 28
Executive advisory council of bureau and office chiefs established by Commission.	September 30
Two-day meeting on installation and use of trans-atlantic communications facilities during the 1970's held at Commission with representatives of European nations and Canada.	
Retirement of Commissioner Thomas J. Houser announced.	October 6
Cable TV annual report forms adopted.	October 7
Charlotte T. Reid sworn in as Commission member.	October 8
First specialized common carrier application, since adoption of "open entry" decision, granted to provide microwave service between New York and Washington, D.C.	October 15
Random closed circuit tests of Emergency Broadcast System suspended.	
Proportionate fill requirement for Atlantic satellite and TAT-5 cable modified from five satellite circuits for each cable circuit to one-for-one.	October 19
Testimony presented by Chairman Burch and Commissioner Nicholas Johnson before Senate Subcommittee on Constitutional Rights on application of First Amendment to broadcast and print journalism.	October 20
Commission to ask Supreme Court review of Appeals Court ruling reversing FCC denial of requests for purchase of time for editorial advertising.	October 22
First Amateur Radio licenses issued to alien applicants under new law.	October 27
Ruling that toy ads do not raise Fairness Doctrine issues, intent to issue public notice on deceptive advertising, announced by Commission.	October 29

Resignation of Commissioner Robert Wells.

November 1 — License renewal denied to Rapid City and Lead, S. Dak., stations KRSD-TV and KDSJ-TV.

November 5 — Frequency management program to aid two-way radio communications inaugurated in Chicago, Ill., by Commission.

November 8 — Commissioner Charlotte T. Reid named Defense Commissioner.

November 16 — Ruling requiring CBS to give time to Republican National Committee to answer Democratic National Committee program reversed by U.S. Court of Appeals for the District of Columbia Circuit.

November 26 — Management study of Commission announced.

November 30 — General Counsel Richard E. Wiley nominated by President Nixon to serve on Commission.

December 20 — Equal opportunity form for broadcast licensees amended to include women.

December 23 — Phase II of AT&T interstate rate case dismissed by FCC.

1972

January 5 — General Counsel Richard E. Wiley sworn in as Commissioner after January 4 recess appointment by President Nixon.

January 6 — Second volume of Cumulative Index Digest to FCC Reports issued, covering volumes 16 through 25 of Second Series.

January 7 — John W. Pettit appointed General Counsel.

January 19 — Advisory committee established to recommend standards program for interconnection of telephone dialers and answering devices.

January 21 — WHDH, Inc., authorization for Channel 5, Boston, Mass., terminated. Boston Broadcasters, Inc., granted test authority effective March 19, 1972.

January 24 — Commissioner Robert E. Lee named chairman of Interconnection Advisory Committees.

Phase II of AT&T interstate rate case reinstituted.	January 28
Chairman Burch testimony on Commission activities presented to Senate Subcommittee on Communications.	February 1
First regional office of Spectrum Management Task Force established in Chicago.	February 2
Licensees advised on unauthorized broadcast of Federal Aviation Administration communications.	
Testimony on federal financing for Corporation for Public Broadcasting presented to House Subcommittee on Communications and Power by Chairman Burch.	February 3
New Cable TV Rules adopted.	
Commission Fairness Doctrine rulings in complaints by Democratic and Republican National Committees against networks upheld by U.S. Court of Appeals for District of Columbia Circuit.	February 4
Alabama educational television license renewals set for hearing.	February 10
Testimony submitted by Chairman Burch to Senate Subcommittee on Intergovernmental Relations on bill to permit certain regulatory agencies to submit budget requests directly to Congress.	February 16
Eight renewal cases involving competing applications redesignated for hearing.	February 17
Commission ruling denying request by Democratic National Committee to separate proceeding on seeking out contrasting views on controversial issues (Docket 18859) from Fairness Inquiry (Docket 19260) upheld by U.S. Court of Appeals for District of Columbia Circuit.	February 22
Commissioner Wiley named Spectrum Management Commissioner.	February 23
AT&T service improvement indicated by FCC study.	February 24
Revised plan adopted for control of non-federal air navigation stations during national emergencies.	March 1
Assignment of Time-Life TV stations to McGraw Hill authorized; consideration $50,990,789.	March 9

March 14 — Testimony on fiscal 1973 budget request presented by Chairman Burch before House Appropriations Subcommittee.

March 15 — Limited open entry for domestic satellite applicants proposed by Common Carrier Bureau.

March 16 — Federal Campaign Act guidelines issued for broadcasters and cable TV system operators.

WVOG, New Orleans, La., ordered to forfeit $10,000 for rule violations.

March 22 — Statements on Surgeon General's report on TV violence presented by Chairman Burch and Commissioner Johnson in testimony before Senate Subcommittee on Communications.

March 23 — "Anti-siphoning" sports rule extended from two to five years for subscription TV.

WGMS, Bethesda, Md., granted waiver of FM nonduplication rule to permit continuance of classical music programing.

March 24 — New priority review, procurement responsibilities assigned to Executive Director.

Nondiscrimination rules adopted for cable TV systems and CARS stations.

Expanded use of teleprinter and facsimile transmission approved for private land mobile services.

March 27 — Frequencies allocated for ambulance bio-medical telemetry.

March 27-31 — Oral Argument in Fairness Inquiry.

March 29 — TAT-6 transatlantic telephone cable authorized between U.S. and France.

New procedures adopted to permit summary decisions in hearing cases.	April 6
Broadcast regulation study initiated.	
Emergency Broadcast System revised to preclude transmission errors.	
Microwave data transmission network authorized between Califonria and Texas.	
Multipoint Distribution Service proposed.	April 20
Three network operation authorized for Mutual Broadcasting System.	April 26
FCC, FTC establish liaison procedures for handling unfair or deceptive advertising.	April 27
Oral argument in Domestic Satellite proceeding.	May 1-3
Oral argument on renewal policy.	May 4-5
Common Carrier rules adopted governing unsecured credit to candidates for federal office.	May 5
New procedures established by Chief Hearing Examiner for setting prehearing and hearing dates.	May 9
Rules revised to permit banks to hold five percent of broadcast stocks in trust accounts.	May 10
Television network revenue drop in 1971 reported by Commission.	May 12
Uniform sponsorship identification rules proposed for all broadcast services.	May 17
Licensees cautioned to give advance warning before recording conversations for broadcast.	May 18
Changes in Common Carrier tariff rules proposed to meet Price Commission criteria.	May 19
WEBY, Milton, Fla., KDOV, Medford, Ore., denied license renewals.	May 24
ABC denied renewal of authorization to deliver network TV programs to Tijuana, Mexico, station.	May 30

June 1 — Protection of Mexican TV from Los Angeles land mobile operations on UHF channels 14 and 20 agreed on by U.S., Mexico.

Reimbursement of public interest groups in assignment, transfer or renewal actions considered in inquiry and rule making.

New operator requirements adopted for radio broadcast stations.

June 2 — Nominations of Richard E. Wiley and Benjamin L. Hooks, to serve on Commission, confirmed by Senate.

June 5 — Commissioner Wiley sworn in to regular term on Commission.

United Church of Christ reimbursal for expenses incurred in KTAL-TV, Texarkana, Tex., license renewal approved by Commission.

June 7 — Cable TV program origination rules upheld by U.S. Supreme Court.

June 8 — Network syndication and program ownership restrictions reinstated.

June 14 — Federal-State Joint Board created to submit interconnection recommendations to Commission.

June 16 — Multiple entry domestic satellite policy adopted.

Cable TV rules affirmed by Commission.

June 21 — Revision of international broadcasting rules proposed.

June 22 — Equal opportunities policy would not be extended to Presidential broadcasts not covered by Section 315 in first Commission ruling in Fairness Doctrine Inquiry.

June 28 — Further inquiry set on car locator systems.

June 30 — 6 to 10 P.M. designated as prime time for Mountain Zone stations.

	AUTHORIZED STATIONS JUNE 30, 1972
Aircraft Group	133,830
Aeronautical and Fixed Group	6,530
Aviation Auxiliary Group	1,027
Aviation Radionavigation Land	1,209
Civil Air Patrol	18,627
Total Aviation Services	161,223
Ship Group	232,633
Coastal Group	3,148
Marine Auxiliary Group	136
Marine Radar Land	82
Alaskan Group	2,416
Total Marine Services	238,415
Police	20,063
Fire	11,431
Local Government	14,708
Highway Maintenance	6,920
Forestry Conservation	5,169
Special Emergency	7,917
State Guard	1
Total Public Safety Services	66,209
Special Industrial	32,738
Business	103,312
Power	15,435
Petroleum	9,760
Manufacturers	3,780
Forest Products	3,577
Industrial Radiolocation	589
Motion Picture	58
Relay Press	321
Telephone Maintenance	1,817
Total Industrial Services	171,387
Railroad	7,920
Taxicab	3,494
Automobile Emergency	2,457
Interurban Passenger (Motor Carrier)	103
Interurban Property (Motor Carrier)	2,077
Urban Passenger (Motor Carrier)	144
Urban Property (Motor Carrier)	2,123
Total Land Transporation Services	18,318

SAFETY & SPECIAL RADIO SERVICES

	Citizens--Class A	3,581
	Class B, C and D	848,029
	Total Citizens Services	851,610
	Amateur	275,778
	R.A.C.E.S.	8,271
	Disaster	186
	Total Amateur and Disaster Services	284,235
	TOTAL SAFETY & SPECIAL RADIO SERVICES	1,791,397
COMMON CARRIER SERVICES	Point-to-Point Microwave	6,807
	Local TV Transmission	56
	Rural Radio	848
	Developmental	174
	Domestic Public Land Mobile	11,471
	Point-to-Point Telegraph-Telephone (International)	8
	Point-to-Point Telegraph (International)	9
	Point-to-Point Telephone (International)	7
	International Control-fixed	7
	Satellite Communication	
	Earth	13
	Satellite	15
	TOTAL COMMON CARRIER SERVICES	19,415
BROADCAST SERVICES	Standard (AM)	4,422
	Frequency Modulation (FM)	2,468
	Educational (FM)	599
	UHF Commercial TV	250
	VHF Commercial TV	524
	UHF Educational TV	136
	VHF Educational TV	91
	Translator (TV)(UHF-VHF)	2,896
	UHF Signal Booster	9
	Experimental (TV)	6
	Auxiliary (TV)	2,656
	International	3
	Developmental	4
	Remote Pickup	12,626

Aural, STL and Inter-City Relay	606
Low Power	173
Instructional TV Fixed	178
FM Translators	23
TOTAL BROADCAST SERVICES	27,670
Research and Developmental	1,096
Community Antenna Relay	161